

REMARKS

Applicants' attorney would like to thank the Examiner for the telephone conference in which the 35 U.S.C. 101 rejection was discussed.

The claims have been amended to more clearly define the invention as disclosed in the written description. In particular, claims 1, 7 and 8 have been amended to clearly show that the invention is within the technical arts.

In the last Office Action, the Examiner had rejected claims 1-9 under 35 U.S.C. 101 in that the claimed invention is direction to non-statutory subject matter.

In view of the above changes, Applicants believe that the invention as claimed in claims 1-9 is clearly within the technical arts and produces a useful, concrete and tangible result. Therefore, Applicants respectfully request withdrawal of the rejection.

The Examiner had further rejected claims 1-10 under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent Application Publication No. 2001/0008557 A1 to Stefik et al., in view of Applicants' admissions.

The Stefik et al. reference discloses a system for controlling the distribution and use of rendered digital works through watermarking, in which a digital work is encoded and transmitted to a rendering repository. The rendering repository decodes the digital work, gathers data for and creates a digital

watermark, and renders the digital work including the watermark (page 4, paragraph [0060]).

Applicants are unsure what the Examiner is indicating as "Applicant's admissions". In particular, the Examiner cites paragraphs [0008] - [0010]. However, these paragraphs are included in the Summary of the Invention. In paragraph [0008], Applicants concede that watermarking, in general, is known. However, the specific uses noted in, for example, paragraphs [0009] and [0010] are embodiments of the subject invention.

Watermarking is performed in order to distinguish authentic content from counterfeit content. However, in most cases, it is desirable that the watermarking is not perceptible in the rendered content. For example, while a digital signal representing audio content may be watermarked, it is desirable that a person listening to the rendered audio signal is not confronted with artifacts which detract from the listening enjoyment. Similarly, while a digital signal representing video content may be watermarked, it is desirable that a person viewing the rendered video signal is not confronted with artifacts which detract from the viewing enjoyment.

With the above in mind, the subject invention uses the above watermarking to embed additional information into the content. This embedded content is then distributed, e.g., transmitted, and received by a rendering device (e.g., a radio receiver) and the embedded content is rendered (e.g., played via

loudspeakers). The rendered embedded content may then be received (e.g., a mobile phone is used to "hear" the embedded content being rendered by the loudspeakers) and the additional information may then be extracted from the rendered embedded content.

Applicants believe that the subject invention, as claimed, is neither shown nor suggested by the prior art, and as such, is patentable thereover.

Applicants believe that this application, containing claims 1-10, is now in condition for allowance and such action is respectfully requested.

Respectfully submitted,

by   
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